Using Strawberryland characters

Gen. Mills sets promo foods

By JANET NEIMAN

General Mills will market a series of Betty Crocker baking mixes using licensed Strawberry Shortcake characters on the packages, as a promotion.

A source said the General Mills division holds a license with American Greetings' Those Characters from Cleveland unit to use the popular Strawberryland characters on its products, and that the unit "will shortly be coming out with cake mixes using the Strawberry Shortcake characters" on existing Betty Crocker products.

The first in the expected series is showing up on retail shelves now in the form of Betty Crocker Blueberry Muffin wild blueberry muffin mix. The package features a cut-out figure of the Strawberryland character Blueberry Muffin.

The new packages are being sold on a single sell-in basis in most markets nationally, as an addition to, not as a substitute for, the regular Betty Crocker wild blueberry muffin mix.

Last July, General Mills' Big G division introduced a new cereal, Strawberry Shortcake, on the same one-order-only basis and without advertising, and offered it to retailers in most markets (AA, July 13). The cereal package fea-

(Continued on Page 82)

For skeptics Firestone Tire & Rubber is telling Phoenix motorists they "have a right to expect more" in car care, and can get it from MasterCare (AA, Nov. 23). BBDO handles.

Colgate loses suit on snacks marketing

By NANCY GIGES and BOB COOK

Although Colgate-Palmolive carried its four-year battle all the way to the U.S. Supreme Court, it must pay United Roasters $950,000 for breach of contract in a dispute related to the marketing of Bambeanos, a soybean snack it purchased from that North Carolina-based company.

Colgate's final appeal failed when the highest court refused in mid-November to hear the case. That left standing an earlier federal district court judge's order that New York-based Colgate pay the fine. That order had been upheld in 1979 by the court of appeals in Richmond.

In the mid-1970s, Colgate bought the assets of United Roasters, marketer of Bambeanos, Jimmy Crack Corn and Happy Nuts snacks, and agreed to pay royalties based on Bambeanos and other snack sales for 25 years. According to George W. House, attorney for United Roasters, at the time of the purchase Bambeanos was available in 17 states and had strong sales in Southern California, New York and North Carolina.

Next week: Top media

In Section 2—An exclusive ADVERTISING AGE report on the country's 100 top media companies, ranked by revenues from U.S. media operations. A detailed look at who they are, what they do, their strategies for the explosive 1980s and the varied personalities who forge them.

In 1974, Colgate assigned the snack to North Castle Partners, Greenwich, Conn., and began testing advertising in New England. That support made the snack even more successful. According to Mr. House, the brand's share rose as high as 9% in the areas where it was marketed and leveled off at about 3%. This compares to less than a 0.1% market share for all other soy snacks combined. At the time, the snack nut market totaled about $500,000,000 nationally, he said.

Mr. House said Bambeanos was successful because it was the only large soy nut snack—about the size of a peanut—and because United Roasters had come up with a method of coating the nut with flavors to mask the unpleasant soy taste. The item was available in onion, cheese, salted and bacon flavors. Two years later, just when the company had said it was planning to roll national, it stopped advertising and promotion and invoked its right to cancel the contract.

However, according to Mr. House, Colgate refused to return the business to United Roasters free and clear as the contract stipulated. Colgate wanted United Roasters to purchase the business because it had invested in expanding distribution and advertising the products, Mr. House said.

Mr. House contended that Colgate's interest waned for several reasons. He said the product was much more successful than Colgate originally thought, and the royalty payments turned out to be higher than expected. Secondly, Colgate had finally achieved a long-time goal of getting in the food business in a big way by purchasing Riviana Foods. Bambeanos and other snacks then appeared to be peanuts, he suggested.

When the two companies failed to reach an agreement, United Roasters, a company that had been founded specifically to market those snacks by a dozen North Carolina businessmen and politicians, filed suit.

The suit charged breach of contract and asked for $3,000,000. Mr. House said midway through the jury trial Colgate offered to settle for about $200,000, but United Roasters refused. The jury awarded United Roasters about $600,000 for wrongful termination,

(Continued on Page 82)

highlights

Monday, Nov. 30, 1981

Burger King has come up with a new campaign and new operational program to get its sales back on track. *See Page 6.*

Lever Bros. is hoping to improve its position in the premium-price dishwashing liquid category with new Sunlight. *See Page 10.*

The Saturday morning children's ratings battle finds the three networks very close indeed. *See Page 16.*

Individual Retirement Account ad blitz is seen as federal government drops interest rate ceiling. *See Page 20.*

The copy chief at Diener/-Hauser/Bates, New York, offers a guide to relaxation in his new book. *See Page 30.*

After 10 years, Time Inc.'s faith in *Money* has paid off. *See Page 32.*

Ditto jeans are making a comeback less than a year after they dropped out of the market because of bankruptcy. *See Page 34.*

Culligan International is hoping that boosting its ad identity will help sagging market share. *See Page 37.*

American Express and its Michael Beazley publishing unit are getting into video programing. *See Page 56.*

Revlon has developed the first microprocessor that programs the processing of both hair conditioning and perming. *See Page 58.*

Space planning is one way for agencies to expand without taking up more space. *See Page 76.*

Sunshine Biscuits elects to remain with Marsteller Inc. after a lengthy review. *See Page 81.*

CORPORATE CLOSEUP

Canada's Imasco is making forays into the U.S., but they have not been signaled successes. *See Page 4.*

FOLLOWUP

Coy International Private Reserve has been tapping success since its introduction eight months ago. *See Page 40.*

INTERNATIONAL

American and British business execs, in Cairo for separate conferences, have concluded that Egypt, despite recent troubles, still has a stable government. *See Page 14.*

Shortly after the Greek electorate voted for the Socialist party, the new minister of commerce announced that "all advertising in the mass media will be subject to control, with the first target being tv." *See Page 14.*

Self-regulation of advertising in Europe is alive, well and not about to knuckle under. *See Page 70.*

The new Norwegian Conservative government has made it clear that in principle it is willing to open the airwaves to stations other than NRK, the Norwegian broadcasting system, which has had a virtual monopoly in that country since the 1920s. *See Page 70.*

MAGAZINE

Behind New York state's renowned "I Love New York" campaign is one woman's love for the state. J. Herbert Silverman interviews Natel Matschulat, one of the lesser known personalities behind the campaign. Her role illustrates the elements on the "advertiser" side that is considered necessary to produce a winning tourism marketing program. *See Page 45.*

Howard Kamin looks at an emerging trend by advertisers that will have more impact on network television than the new electronic media—a growing awareness by advertisers to localize their use of television. *See Page 48.*

Rick Douglas gets a taste of the life and work of the country marketer and finds it is just as hectic (if not more so) as the life and work of the city marketer. *See Page 50.*

section 2

FLORIDA

Florida has one of the strongest economies in the U.S., but there are trouble spots. This week, Section 2/Florida looks at the problems facing this growth state, beginning opposite Page 44.

REGULAR FEATURES

ADBEAT	74	OBITUARIES	74
ADVERTISING MARKETPLACE	71	PHOTO REVIEW	42
AGENCY PEOPLE	60	PRESSTIME	8
BRADY	62	REGIONAL NEWS	38
CON-SID-ERATIONS	12	VIDEOTECH UPDATE	52
CORRECTIONS & CLARIFICATIONS	6	VOICE OF THE ADVERTISER	68
EDITORIAL VIEWPOINT	12	WASHINGTON BEAT	26
FOR THE RECORD	79	WEST COAST UPDATE	81
MAGAZINE SECTION	45	WORLD NEWS ROUNDUP	3

Vol. 52, No. 50—ADVERTISING AGE (ISSN 0001-8899) is published weekly except semi-weekly the third week in March, the second week in September at 740 Rush Street, Chicago, IL 60611. Second-class postage paid at Chicago and additional mailing offices.

BP goes to Geers agency

LONDON—British Petroleum's selection of Geers Gross Advertising to handle its $5,000,000 account gives the agency its first worldwide client.

"It's a prestigious company with a great many tentacles," said Robert Gross, agency chairman. "It is significant for us because it will open the automotive world and other allied areas to our agency."

Mr. Gross said his agency was among three finalists, the others being Abbott, Mead, Vickers and N W Ayer Barker.

The account includes three areas for BP: British Petroleum Oil International Ltd., British Petroleum Oil Ltd. retail division and British Petroleum Industrial Products.

The previous agencies for the division were Interlink, J. Walter Thompson Co. and Brunnings.

British Petroleum is the seventh largest global oil company, with operations worldwide including the U.S.

Meanwhile, Geers Gross in New York also was selected to handle the $1,500,000 Lucille Roberts health spa and diet centers account. Roberts' previous agency was Calet, Hirsch, Kurnit & Spector. #

MEDIA COMMENTARY

Tv's localization

BY HOWARD KAMIN

While most pundits concentrated on the effect new electronic media will have on network television, there is an emerging trend that will have more immediate consequence.

This trend is the growing awareness by advertisers to localize their use of television. Spot tv as a medium is an increasingly major element in the tv mix.

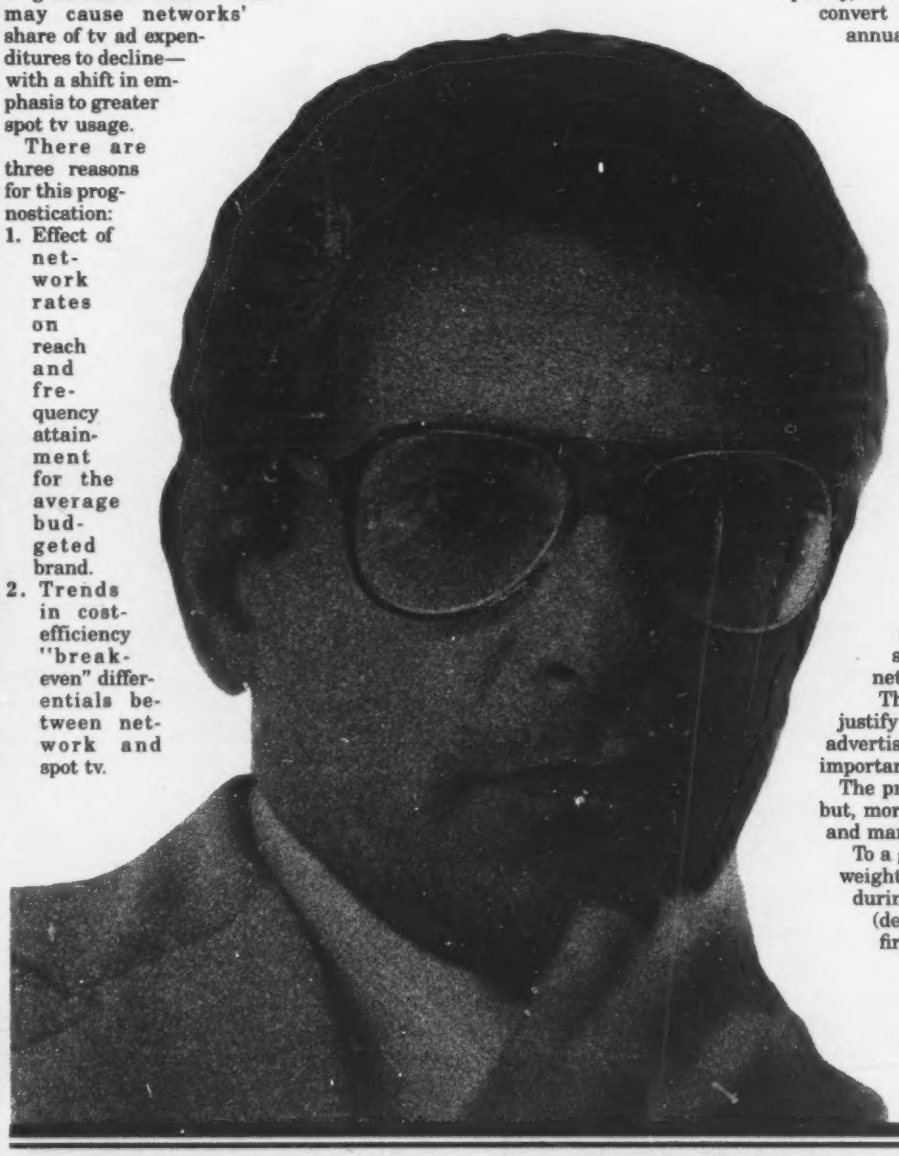
There is no question that network tv is the preferred medium. In 1979 the FCC reported 63% of all national advertisers' television dollar usage was allocated to network tv. National spot tv received only 37%. This was the highest vote of confidence advertisers placed in network tv in the last 13 years.

Advertisers' preference for network over spot tv is primarily based on its mass national coverage, the generally greater cost-efficiency of network vs. spot tv, and the qualitative advantages of commercial in-program placement and environment.

Yet, there are subtle trends occurring in the tv market that may cause networks' share of tv ad expenditures to decline—with a shift in emphasis to greater spot tv usage.

There are three reasons for this prognostication:

1. Effect of network rates on reach and frequency attainment for the average budgeted brand.
2. Trends in cost-efficiency "break-even" differentials between network and spot tv.
3. Advertising productivity measurements and marketing considerations.



High out-of-pocket network tv unit costs make it difficult for the average national advertiser to achieve meaningful levels of reach and frequency or continuity.

For example, the top three television spending categories—food and food products, automotive and automotive accessories and toiletries—account for 36% of all tv expenditures.

These categories include such major advertisers as P&G, GF and GM, which in total invested more than a billion dollars in tv in 1979.

Yet, the average brand in these categories (based on 29,500 brands analyzed by LNA/BAR) budgets less than $1,000,000 dollars for all media.

Even if the average brand in 1981 invested all dollars in network tv it would only be able to purchase a modest annual schedule of less than 500 target rating points in daytime network tv, or less than 200 in prime network tv.

In terms of reach and frequency, these rating points convert to the following annual delivery:

What $1,000,000 buys in reach and frequency for the average advertiser, 1981 yearly average

Medium	Women 25-54 R (%)	F	GRP
Daytime network tv	61	8.1	493
Prime network tv	70	2.5	175

Source: Media Market Guide; Agency estimates

Confronted with moderate levels of reach and what most media practitioners now regard as insufficient frequency, the majority of advertisers are forced to consider other tv alternatives. The most prevalent route is for advertisers to concentrate activity within a segmentation philosophy.

Some of the strategies are to telescope network fourth quarter of 1976, the cost-efficiency differential expensive network dayparts, *i.e.*, early morning, late fringe; consider selective national programing in network syndication or cable tv; concentrate on regional or local market developments.

All these approaches are utilized, and some advertisers even abandon tv in favor of opportunities in radio, newspapers or magazines.

But the most prevalent tendency for advertisers, particularly in the package goods field, is to retain the use of tv by concentration on regional and local market development via spot tv.

As a result, national spot television reported a 23% larger increase in ad volume than network tv for 1980.

Our prediction of spot tv becoming an increasingly important medium is also predicated on an analysis of the break-even differential between spot tv and network tv.

Break-even is defined as the required per cent of U.S. tv homes covered by a spot advertiser before it becomes more efficient to schedule network.

For most dayparts, network tv is generally more efficient than spot tv, but over the past five years the cost of network has escalated at a faster rate. In the fourth quarter of 1976, the cost-efficiency differential between spot and network was dramatically in favor of network.

For example, a daytime spot tv advertiser, utilizing a list of 40 markets covering 64% of the U.S., might be converted to network tv and secure national coverage at no increase in budget.

A prime time spot user in 30 markets and 54% of the U.S. could be converted to network and secure national coverage for the same budget as spot television.

In 1981, it is estimated that a daytime spot tv advertiser would have to advertise in markets covering almost 84% of the U.S. tv homes and a prime spot user, in 70% of the U.S., before it became economical to convert to network usage.

The result is that it is exceedingly more difficult (compared to five years ago) to justify network tv to replace spot tv on a break-even efficiency basis. For most tv advertisers with regional or major market skew, the use of spot tv becomes a more important media consideration as the efficiency advantage of network is being eroded.

The predicted localization of the tv mix is not only derived from media analyses, but, more importantly, the effect of these media trends on advertising productivity and marketing considerations.

To a great extent advertising productivity is related to the level of frequency and weight affordable. Foote, Cone & Belding analyzed 14 new product introductions during the '70s. FCB estimated likelihood of achieving high brand awareness (defined as above 60%) based on the cumulative weight of advertising during the first three to six months a brand is in the market.

FCB's analysis indicates that placing 2,500 target rating points provides a 70% chance of achieving high brand awareness. Between 1,000 and 2,499 grps, the probability is 33%. Below 1,000 it is extremely unlikely that an advertiser will achieve high awareness based on tv tonnage.

The modestly budgeted advertiser cannot hope to purchase the required 2,500 grps in network tv to achieve high brand awareness.

(Continued on Page 50)

"There is no question that network tv is the preferred medium, yet, there are subtle trends that indicate a shift in emphasis to greater spot tv usage."

Tv's localization

(Continued from Page 48)

And even if an advertiser is willing to settle for 2 to 1 odds against achieving high levels of awareness by running 1,000 grps, the advertiser has to spend in 1981 between $5,700,000 for prime network or $2,000,000 for daytime network tv.

As illustrated earlier, these budget levels are beyond the resources of most brands.

There is one way for the limited budget advertiser to increase advertising productivity. They can concentrate their efforts geographically. Sales of even the most universally sold product will usually indicate grouping of markets where current volume outperforms national per-capita performance. Concentrating on major markets via a local spot tv effort could achieve minimum reach and frequency and grp levels to increase ad productivity.

For example, assuming a 1,000 target grp goal (with a 33% chance to achieve high awareness) an advertiser with a modest budget could achieve meaningful weight levels in a concentrated geographic universe.

This illustrates that it is better to communicate effectively to 33% or 50% of the universe than to marginally expose a message to 100%.

The 1981 cost and reach and frequency delivery of selected spot tv

	% U.S. TV COV.	EST'D BUDGET ($M)	W 25-54 R (%)	W 25-54 F
Daytime Spot				
Top 10 Markets	33	793		
Top 25 Markets	50	1,287	62	16.1
Early, Late Fringe				
Top 10 Markets	33	1,151		
Top 25 Markets	50	2,028	80	12.5

This philosophy may be gaining support. As ADVERTISING AGE reported in its coverage of the 1980 ANA meeting, more and more advertisers are reacting to competitive media and marketing pressures. Advertisers reporting on the major trends developing stated, "that both localization of marketing programs and the new video media are playing a big role in future plans."

The perceived advantages of spot tv vs. network are growing as the dynamics of the broadcast market change. Advertisers are placing a greater emphasis on local market-by-market planning to achieve meaningful levels of competitive weight in key markets—even at the expense of national advertising.

We don't believe the dire prediction by John Naisbett of Yankelovich, Skelly and White that network tv "is in danger of becoming the *Life, Look* and *Saturday Evening Post* of the 1980s."

The position of most agencies is that while networks' share of viewing will decrease as new electronic media increase penetration and usage, the networks will remain dominant in rating strength throughout the 1980s. Networks will retain their position as the primary mass medium to deliver national coverage. But with inflation, there may be fewer brands capable of maintaining the budget to utilize network in a productive, sustaining manner.

For this reason, spot television will become an increasingly major element in the tv mix as advertisers place a growing emphasis on local concentration of marketing efforts to achieve more advertising productivity. #

Howard Kamin is vice-president, marketing, Assn. of Independent Television Stations (INTV).

NOTES FROM THE CLIENT SIDE

The country marketer

BY RICK DOUGLAS

Like most ad people, I work deep in the canyons of a large city. In my case it's New York; for others it's the same place or another fairly large metropolitan area with certain big-city problems like commuting, congestion and competition to go with such nice features as all-night restaurants, all-night type shops and all-night offices, should we care to use them.

But all of us who work in a large city or even a small city think, at least once in a while, about those who are client or agency types who don't work in or near any kind of city at all.

Are there clients who wear jeans to the office like the agency creatives—only out of practicality and not as a badge of rank? Are there clients out there? Or agencies?

If so, you may wonder what life might be like in rural Montana, New Mexico or Vermont. Into the office (do they have offices?) at 8:30 a.m. maybe, lunch at the local saloon (do they have saloons?), a bit of fly fishing after lunch (they must have fishing), then a few more hours of contemplative work, a five-minute drive home to a wood stove and quiet dinner.

Slow, thoughtful, relaxed, noncompetitive—that's what advertising and marketing life in rural America must be like if it exists at all.

Certainly these marketers can't be as sharp or as good as us. Of course they can't work as hard as we do. I wanted to see for myself. Maybe you have, too.

The opportunity presented itself during the past summer when I was invited by Garden Way in Charlotte, Vt., to come and visit for a few days on my vacation. Its publishing division bought a manuscript I wrote (on gardening, naturally), and since there were quite a few gardening questions still unanswered for the book, why not go to Vermont and talk to the gardeners.

Garden Way is the manufacturer and marketer of a number of gardening products. It produces and sells the Troy-bilt Rototiller—a garden cart with big bicycle-tire wheels—and a solar greenhouse, among other things. It has a few client marketing types, an in-house ad agency and some manufacturing capability. Charlotte, Vt., 20 miles south of Burlington, has a population of about 500. There, I thought, I could talk to these country marketers, get some sleep, swim, sail and see the operation and try not to act too big-cityish.

It was not easy, but I eventually found Charlotte (it was actually a sign) and the house where I was to stay, which was perched on a cliff above Lake Champlain. I unpacked and admired the view of the lake. What a life. I don't have a meeting until 8:30 a.m. I could get up at 7 a.m.

Rick Douglas is U.S. ad manager, British Airways, New York.

There's little time to really relax. Even in seemingly quiet moments like this, business continues.

I was up early the next day, admiring the lake and checking my schedule for the three days of my visit. Every lunch and dinner was planned as well as the time between. That was a bit alarming, but I relaxed when I was taken to Garden Way's conference center—a cabin-like building known as "Meeting House."

It was tucked away in the woods with a gigantic vegetable garden in front. As I made my way to the meeting, I met the casually dressed Garden Way people munching on homemade doughnut holes and drinking fresh brewed coffee.

The meeting started at 8:30 a.m. At 11:30 a.m., we took a break. The meeting was pretty much like what you hear in any long monthly meeting, but why were we taking a break at 11:30? I learned that lunch would be at 1 p.m. Where would they all go for lunch, I wondered? There wasn't a restaurant within 20 miles. How would they do it? Truck in escargot and duck a l'orange from Montreal? Throw us a side of beef? Did people have white wine and Perrier with lunch up here? There wasn't too much time for hungry musings of this nature because the people were expecting me to make some kind of contribution to the meeting. The group I was with was mostly from Gardens for All, a national nonprofit association to promote gardening to, well, when they say "all" they're not kidding. The marketing people were from the in-house agency, one was sitting next to me and I asked him if he worked on one part of the national program to get more people involved in gardening. He said, "No time for that, I'm working 14 hours a day as it is." Well, he had to be kidding.

Finally it was lunch. Instead of going out to lunch, it came to us—fresh vegetables of every imaginable variety in every imaginable form, crab meat on home-baked rye, steak tartare, Scotch broth and a variety of desserts. Beverages were apple juice, grape juice and some other healthy sounding juices. When I asked for a beer I got a slight frown but a fine Canadian ale made me forget it. The only problem with lunch was there was scarcely time to taste it—business talk continued.

I was soon shuttled to my next meeting, which ended at 5:30 p.m. After that, I had a whole half hour before the dinner meeting at 6 p.m. After a couple of days of this, I began to believe in the 14-hour day.

The people I met were every bit as professional and competent as anybody in the cities, and they sure worked hard. I couldn't tell the creatives from account services because casual dress is all anybody wore. I wondered what they did in their spare time. Also, in a company of gardeners, did anybody have time to garden?

One evening I asked, "Well, it is possible to garden while working here, but it's not easy." That was interesting, it was "possible." Then I asked an editor when he gardened. Instead of telling me, he showed me. "We have employe gardens here," he said pointing out his own carefully tended plot practically in front of his office. "I come out here with a cup of coffee and take a gardening break." I noticed an unsightly weed patch next to his garden and pointed it out to the editor. "Oh, that's poor Charlie's," he said. "He's been busy." He didn't need to say anything more about poor Charlie who was, I knew, locked into 14-hour workdays or constantly traveling or consumed by some other project.

Perhaps Charlie was consumed by the weeds in his garden. No one could tell.

Time passes quickly when you are constantly shown something new, be it direct response ad copy or a dozen easy ways to garden.

Near the end of my visit, I snapped a few pictures of Lake Champlain, which I didn't get much chance to see, and scurried to my last dinner meeting. Slouching in a chair and holding up my head with one hand, I tried to summon up enough energy to finalize discussion on the book projects and other things I had learned.

Everyone was dressed in jeans and casual clothes, but that wasn't fooling me. Then I heard a woman say, "I froze three and a half quarts of beans today." I lept up, in a fashion. Ah, a gardener, a leisure time enthusiast, a kindred spirit, perhaps (after all this was supposed to be my vacation).

I found her dressed casually (but I knew that trick now), and relaxed (well, maybe) and said, "I heard that; you have time for gardening, you put up your food, what else, what else?"

She gave me an amused look. "Of course I freeze food, I'm the food preservation expert here."

The next day I left Charlotte, Vt. (or actually the sign that had the name on it), and headed back to the big city. It was time to think that on Monday I would wear a white shirt and gray pin-striped suit and get out of these "work" clothes. #